

THE POLYNESIAN.

HONOLULU, SATURDAY, APRIL 24, 1847.

Mr. Brinsmade accuses this Government of having reduced him to beggary. It is worth our while to put him upon the trial of fact for this assertion. To do this we must recur to the early history of his firm (Ladd & Co.) and more particularly to his agency in its connection with this government as it existed from 1834 to 1841, when Mr. Brinsmade left for Europe. The missionary influence, as contradistinguished from the foreign resident, had then become paramount. That is to say, the chiefs, generally, were sincerely attached to their religious teachers, and relied much on their judgments. Without directly participating in politics, they undoubtedly had great influence in the general affairs of the nation. The necessities of the chiefs required instruction in the laws, usages and policy of civilized nations. It was natural that they should seek for advice from those they considered most disinterested, and who had shown them consistent friendship throughout, viz.: the American missionaries. Whether the policy they adopted was the most enlightened, it is not our intention now to discuss. We state the fact. The ties between chiefs and missionaries gradually became closer and more confidential, until the wants of the one and the principles of the other required a definite arrangement to be made. Mr. Richards, failing in procuring for the chiefs a political adviser from the United States, at their request separated from the mission, and became their instructor in the rudiments of political science. This arrangement made perfectly plain and consistent what had been rather inferential and indirect; the paramount missionary influence; for Mr. Richards, in separating from his brethren, retained his principles, and they consequently entered more or less into the policy of the government.

It is well known that Ladd & Co. came to Honolulu to do business professedly on a policy calculated to win the confidence of the missionaries, and through them secure the religious favoritism of the chiefs. We know them to have been friends of temperance, social order and morality. Mr. Brinsmade, fresh from the pulpit, a class-mate of some of the missionaries, zealous in every religious exercise and profession, enthusiastic in all that related to the welfare of the nation, soon won for his firm a strong hold in the confidence of the mission, and through them, and by their own manifestations of friendly interest, made considerable progress in obtaining the good-will of the higher chiefs. This they used for a two-fold purpose—to benefit themselves, and by salutary agricultural enterprises, to benefit the nation. To them the credit is due of initiating the first agricultural enterprise on an extensive scale, and of overcoming the many obstacles which were incident to such an undertaking here. Had they confined their operations to the simple scale on which they commenced, enlarging them only as their capital increased, rigidly adhering to the plain principles of honesty and justice, the result would have been far different both for them and the nation. But they sought greatly to extend their operations. To do this it was necessary to secure the co-operation of the missionary influence. Possessing their religious confidence, they readily effected their purposes, and secretly secured advantages, privileges, leases, &c., such as were never extended to other foreigners. The consideration they offered was philanthropy towards the nation; the missionaries in aiding them acted with an honest intent towards the people. Well knowing that industry should keep pace with religious knowledge, they proposed to themselves to effect much for the physical improvement of the people, through the schemes suggested to them by Ladd & Co. Hence they gave them their best aid. Ladd & Co. so adroitly operated upon the religious prejudices and philanthropic desires of the missionaries, as to secure to themselves unknown to the rest of their countrymen a crop of favors, valued by them, at not less than \$100,000, and which were bestowed chiefly upon a promise of a moral consideration. We will not now question the sincerity of a single one of their professions and intentions towards the people; but we wish to call the reader's notice to the fact, that by such means and for such avowed purposes, they secured to themselves favors and valuable contracts from the government, such as no other foreigner ever enjoyed, or could even hope for, while Ladd & Co. held the monopoly of religious confidence. Mr. Brinsmade went to Europe with these favors in hand, to sell to the highest bidder. The government, actuated by the same kindly views towards them, loaned his partners here large sums. The King's Commissioners in Europe loaned Mr. Brinsmade largely also, and even went so far as to throw the entire influence of their official position to the special purpose of enabling him to negotiate a favorable sale in Belgium of his contracts. This they did, however, without authority, and on their own responsibility. Notwithstanding this strong influence in their favor, Mr. Brinsmade failed in completing a sale, and his partners, embarrassed in not receiving the pecuniary aid from him they anticipated, became bankrupt in November, 1844. Their plain duty was to have called a meeting of their creditors, stated their circumstances and hopes, and to have placed their property in trust to have been managed for the best advantage of whom it might concern. A just course like this would have secured

ed the confidence and friendship of all their creditors. They pursued, instead, a policy eminently calculated to alienate their friends, destroy their own character and injure their creditors. Unmindful of the favors and support they had received from the government, and that the government had continued their aid through a friendly interest in their agricultural enterprise, until from the disingenuous management of their affairs and their hopeless financial difficulties, it became a duty of the nation absolutely to cease, they commenced a warfare upon them unprecedented, we venture to say, in even the annals of ingratitude. Charges and allegations of the foulest character were made by them against the government. Mr. Hooper prostituted his office as U. S. Vice Commercial Agent to do it all the injury possible. Untiring efforts were made to excite a social war, and by disparaging the characters of the King's officers to isolate them from society.—George Brown, then United States Commissioner, asserted with an oath that if the King did not dismiss his officers, he would have him off his throne. Creditors not acquainted with the real facts were deceived by gross misstatements. The government were charged with having ruined Ladd & Co. for some private purpose of their own. The attention of creditors was distracted from their affairs by these weighty charges and the deception they practiced in seducing many into the belief that heavy damages would be obtained with which they would pay their creditors in full, but to obtain which their countenance and co-operation were necessary. We will not here repeat what already has been often shown, the various arts by which they deceived their creditors. It is sufficient to say, that when Mr. Brinsmade left Bruxelles, where by his own statement he had sold properties of his firm for \$200,000, he was in debt to his landlady for 1300 francs, and his credit not being sufficiently good to raise the amount, he was obliged to leave in pledge for his hotel-bill, his papers and personal property, and other property left in his charge by Mr. Richards, to be shipped to Honolulu. We ask any intelligent reader, if any gentleman possessing \$200,000 in hand or promise, would be in such a strait as this, in the very city where he had made such a sale? Unsuccessful in Belgium, he tried England, and with no better success, though the delusion to the contrary was kept alive here, to keep off creditors for some time after. As evidence of his failure in both countries, we extract from Sir George Simpson's letter to Mr. Judd, dated London, 29th Nov. 1844, only a few days after the failure of his house in Honolulu:

"I found Mr. Brinsmade in London on my arrival at the St. Paul's Coffee House, and still clinging to Belgian hopes and promises. It has for the past twelve months been quite evident that nothing tangible would arise out of those negotiations, and I believe he has broken off all further communication. Mr. Brinsmade pressed me very much to assist him in getting up a sort of Joint Stock Company in this country, with a view to the sale of his privileges from the Hawaiian Government, and to the establishment of an import and export trade with the Islands: but considering the thing to be too visionary to be entertained for a moment, I declined taking any active part in the matter, but I told him he might make reference to me for information respecting the capabilities of the country, and the disposition of the government and inhabitants. He urged me strongly to make him a loan of £300, upon his own personal security and that of his house at the Islands: but I declined making any advance beyond the £100 authorized by you, which the company paid him at my request, and charged the amount against the Government. My last interview with Mr. Brinsmade was about ten days ago, when the money was paid him, and I presume I shall see no more of him, as he appeared rather dissatisfied at my declining to make the loan he requested. I think it is very likely that he will proceed at once to the States, but I am doubtful that he will be able to pay his hotel and other bills in this country."

Leaving England, Mr. B. arrived in the United States under a feigned name, and escaped the legal action of his creditors here, only by the hopelessness of his case, and his address in persuading them that he had valuable claims upon this government. He was allowed to take passage for this place. On his arrival here, so far was there from being any ill-will towards him on the part of any officer of the government, that the hope was confidently entertained that he would restore to reason his partners, and effect an amicable and honorable settlement to the extent of his means with his creditors. We do positively know, that had he come forward as an honest man, his misfortunes and failings in other respects would have met with most charitable indulgence, and all that the government could do, would have been done to aid him in procuring an honorable discharge from his creditors. Instead of pursuing this, his only wise course, he immediately made a most contemptible attack by private note upon Mr. Richards; next sued us for prospective damages to his character in the sum of \$50,000, and beat in that, growing more desperate as he proceeded, entered upon that magnificent humbug, a suit vs. the Government for \$378,000, thus presenting a dazzling ignis fatuus before the eyes of his creditors to lead them still farther astray from himself. A more falsely conceived suit, dishonest avarice never concocted. False in its conception, false in its execution, and false in every particular, it has perished in its own corruption—vanished like a dream—and the creditors are left with the consolation of having been most grandiloquently deceived—and the debts of the firm increased since 1844, by interest, depreciation of property, expenses of suit and living of the debtors, some \$40,000. The interest on the money

Ladd & Co. owe has been \$14,000, since the commencement of the arbitration, and the other expenses swell it to \$16,000, which sum is so much less for the creditors to receive, owing to Ladd & Co.'s turpitude and ingratitude. We say turpitude, because it was a wicked deception to all parties to entertain them with hopes without the slightest foundation, and to prefer charges that had no existence, except in their own morbid fancies, and no other object than their own selfish purposes. We defy the most partial adherent of this firm to show a single instance in which they have displayed a conscientious regard for the rights of their creditors, or have manifested a frank and honest disposition towards them. On the contrary, if there be a single creditor who has not had cause to complain of ingratitude, deception, or injustice in some shape or other, we should be glad to chronicle the fact. True it is, that, in a few, political prejudices were so adroitly fomented as to submerge private wrong; but even those few stand committed in their opinions. The Government, weak in physical power, relies for support on moral strength. Aware of the condition of the public mind in relation to Ladd & Co.'s affairs, it consented to an arbitration which any other government would have rejected without debate, for the purpose of enlightening public sentiment and exposing the false allegations of Ladd & Co. They were aware of the strength of their position and the nature of the evidence they held, which needed but be exposed to the world in some legitimate way to present Ladd & Co.'s claims and character in a light which should forever condemn them. The public have as yet been made acquainted with a small part of this testimony, although the "arbitration" was public. The testimony in print—700 pages—is only that of Ladd & Co.'s own witnesses. That of the government is yet to be heard, if Ladd & Co. keep to the arbitration. Every facility in law and equity has been afforded them, for continuing it, even to proffering to loan them money for the expenses of the suit, they to secure the reimbursement in case of loss of suit; and yet, without one word being urged in defence, without the calling of a single witness on the part of the government, in the very midst of their most important testimony, as they had conceived, gathered by the magnanimity of the King from the archives of the foreign office, they requested permission to suspend the suit, that they might effect a compromise, and from that time to this, four months, they have most sagaciously kept clear of the court, which has always been open to them and their claims. The government, in our opinion, committed a grave error in consenting to listen to any terms other than those of the arbitration, while the suit was undecided. Ladd & Co. would either have non-suited themselves or have prosecuted it to a decision. After that was the true time for the Government to treat with their creditors for some arrangement by which their property could be impartially administered for common benefit. But the error is the more pardonable, that it was on the side of forbearance, when the plaintiffs were powerless in their hands.

So far then has Mr. Brinsmade been from being made a pauper by this government, it is evident that no other individual ever received a tithe of the favors and gratuities from them that he has. That owing to their confidence in his religious character and asseverations, they gratuitously bestowed upon him contracts valued at \$100,000—they loaned his firm near \$20,000 cash—when Mr. Judd felt himself bound, out of regard to his duty to the nation's interest, to decline further public loans, his good feeling prompted him to loan them his private funds—that the government were friendly disposed towards Mr. Brinsmade on his arrival, and desirous for him to exert his talents and knowledge of the real truth in bringing his partners to reason and a sense of justice; and finally that Mr. Richards lent Mr. Brinsmade \$3500 and every good office in his power while abroad to further his interests. On the other hand, we shall show in our next how Mr. Brinsmade has repaid these favors, and with that exposition leave the public to sit in judgment between his acts and his professions—his past history and his present career.

COMMERCIAL PIETY AND PROFIT.—There is an unapproachable perfection of cant in the annexed advertisement, which we take from a Manchester (Eng.) paper:

To Drapers, Haberdashers, Warehousemen, &c.—Wanted, towards the latter end of April, by an eminently pious young man of Scotland, who has been regularly bred to the above branches, and considerably experienced generally, a situation as assistant clerk, manager, salesman or traveller. The advertiser is twenty-one years of age, possessed of excellent health, an amiable disposition, good ability, extensive knowledge of the great scriptural doctrines, strictly evangelical, and would be found of immense advantage in assisting to advance the claims and reign of the Messiah's kingdom, amidst all the civil and ecclesiastical opposition so prevalent amongst the nations of the earth, in these latter agitating times. Testimonials and references to several eminent evangelical ministers and members of the Gospel, as well as to former and present employers, of the most strict and satisfactory tendency as to character and ability, with portrait, may be had on application. No objections to town or country, and would be willing to conform to the rules of a liberal church or dissenting family, holding evangelical principles, and making himself generally useful. A house favorable to Evangelical, Presbyterian, or Independent Church principles, affording permanent employment and progressive advancement of salary, preferred.

Meeting of Ladd & Co.'s Creditors.

A numerous attended meeting of the creditors of Ladd & Co. was held on Tuesday last, in accordance with the notice of last week. Stephen Reynolds, Esq., was appointed chairman, and Edwin O. Hall, Esq., Secretary. The Committee read several papers connected with the business they had undertaken, and verbally reported that they had been unsuccessful in effecting any arrangement they could recommend by which Ladd & Co. could make a final settlement with their creditors. At their request, they were discharged from further duty. Mr. Marshall then read the form of a proposition on the part of six principal creditors, which, if adopted, would discharge Ladd & Co., and effect a settlement. The plan suggested gave rise to some debate, and it was finally agreed to adjourn to Thursday evening, 7-12 o'clock, when the proposition being fully matured, could be presented in a complete shape for the consideration of the creditors.

THURSDAY, 8 o'clock, P. M.

The meeting was called to order by the chairman, and the proceedings of the last meeting read. Mr. Marshall then read the proposition in its finished form, which was to the following effect: Messrs. Reynolds, Munn, Carey & Co. (by Mr. Hooper,) Boardman, Wood & Marshall, holding and representing claims to the amount of \$100,000, or ten seventeenths of the whole amount of debts, offer to give up all securities they may hold, and take the entire property of Ladd & Co., of every description, be its value more or less, to manage for their own benefit, offering to all other creditors the option to join them in the undertaking, or receive scrip at 60 per cent. of the full amount of their just claims due April 1st, 1847, payable at the end of ten years, with five per cent. interest, payable annually, the assignee creditors reserving the right at any previous time to take it up. The entire assets of Ladd & Co. were to be pledged as security for this scrip, but the assignee creditors were not to be personally liable. They were to run the risk of securing their own debts after satisfying in full the holders of the scrip. This offer of theirs was based upon a proposition of Ladd & Co. to convey to them all their property, of whatever nature, and to place in their hands for examination the books and papers of their firm, the creditors first securing to Ladd & Co. a full discharge of all their claims.

The proposition was favorably received, with the exception of the last clause. Messrs. Castle, Hall, Robson, Pelly and others argued at some length upon the impropriety of requiring creditors to sign a discharge without any knowledge of the debtor's affairs. They were willing to release Ladd & Co. by receiving any per centage on their debts, however small, provided it were shown that it was all they could pay; that they had not given dishonest preferences, &c.; that the very fact of the debtor's making the exhibition of his books a condition of his release, was suspicious in itself; it was a bad precedent. Any firm hereafter, if such a course was allowed to pass in this instance, might borrow largely, and then compromise their debts by proffering any per centage they chose, declining to allow their creditors to examine their affairs, to see whether their offer was made in integrity or not, until they had bargained for a release, and thus deprive their creditors of civil redress, however much they might have been cheated. Mr. Robson observed that it had already appeared in proof at the arbitration, that Ladd & Co., after their failure, had written to Mr. Calkin to pass to his credit their property in his hands; he wished to know what had become of that property; thought the other creditors as much entitled to it as Mr. C. Mr. Pelly said that the only honorable and proper course was for bankrupts to make an exposition of their affairs; for one he wished to see their books, to know whether he was entitled to more or less than 60 per cent.

On the other hand, it was argued that the offer was in good faith from the six creditors. Mr. Marshall spoke at length to sustain it. Said Ladd & Co. had done wrong not to exhibit their affairs—for one he would not have consented to such an arrangement unless he was to have a full and thorough examination of their books and papers—they were to be exposed, and if assets were discovered, they should be distributed among the creditors. He was as much for principle as any one. If he had the books, he would lay them on the table at once; he could not produce them; this was a plan by which the unsecured creditors could hope to get more than by any other; the secured were willing to throw up and come into the arrangement for joint benefit—those who preferred to become stockholders in the enterprise to carry on the plantation, could do so—those who preferred the 60 per cent., with interest, could take their scrip. He saw no better way of getting out of a bad scrape. It was not a question whether Ladd & Co. were swindlers or honest men; whether their books displayed fraud, or were rightly kept—but it was whether the creditors in general would accept the offer of the six to secure a greater amount of their debts than could be secured in any other way. True it was, that Mr. Hooper, one of Ladd & Co., appeared there as a large creditor, representing Carey & Co. The plan would not be consummated without his powers to act being ascertained. The offer was a generous and conciliatory one.

Mr. Ten Eyck urged its adoption as a means of